

WORKFORCE OBSERVATIONS FOR SOUTH CENTRAL WISCONSIN COUNTIES

December 2001



Note: This publication, *Workforce Observations*, replaces the *Labor Market Review*, which was previously known as the *Employment Review*.

Seasonal trends and cooling economy push unemployment rates up

Between October and November, unadjusted unemployment rates increased in the United States (5.0 percent to 5.3 percent) in Wisconsin as a whole (3.9 percent to 4.3 percent) in South Central Wisconsin (2.2 percent to 2.7 percent) and in Dane County (1.8 percent to 1.9 percent). Columbia and Marquette Counties both saw increases of 1.1 percentage points in their unadjusted unemployment rates (3.9 percent to 5.0 percent and 5.6 percent to 6.7 percent, respectively). The graphs below show that November was relatively normal for much of South Central Wisconsin.

Marquette County's 6.7 percent unemployment rates was the highest in South Central Wisconsin. Taking the County's November unemployment rates from 1990 to 2000 yields an average rate of 6.6 percent (see chart at lower left), and an average October-to-November increase of 1.7 percentage points (see chart at lower right).

In November, the Dodge County unemployment rate fell 0.6 percentage points (from 5.9 percent to 5.3 percent), when, on average, this rate increase is 0.2 percentage points. Unfortunately, this is overshadowed by continuing job losses in the manufacturing sector. In August of 2000 the county had nearly 14,300 manufacturing jobs, and in November of 2001 it had roughly 13,000, which is fewer than it had in November of 1999 or 1998. This trend contributes substantially to an unemployment rate two full percentage points above the 3.3 percent that Dodge County is accustomed to during this time of year.

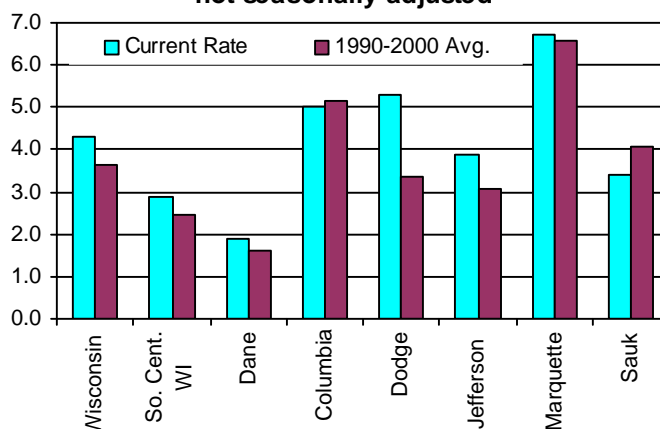
While the number of unemployed persons in Dodge County fell by about 400, the number of employed persons also fell by 1,400. (This suggests an increase in the number of people "not in the labor force", i.e. not working and not looking for work.) If seasonal factors discussed below may account for much of this, it may be temporary. If recent developments in manufacturing cause more workers to retire earlier than planned, the implications could be greater.

The Thanksgiving holiday and deer hunting season, seem to affect manufacturing figures. Late November consistently shows the year's second largest spike in Unemployment Insurance claims in Wisconsin. (Only the last week of the year generates more claims. Next in line is the first week of July.) Manufacturing facilities may use these times to do maintenance and retooling.

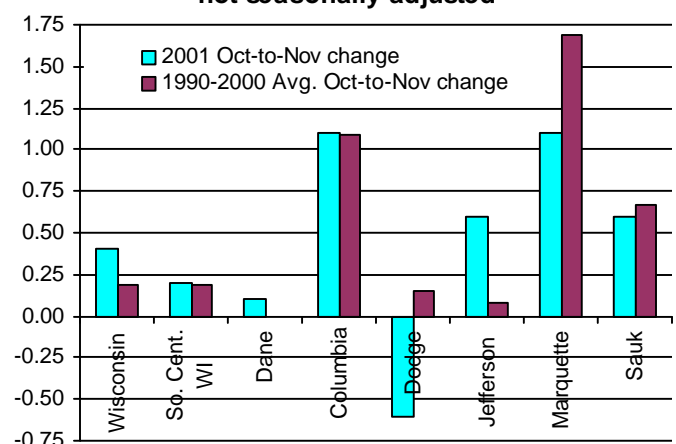
Columbia County's unemployment rate increase of 1.1 percentage points may seem to mirror Marquette County's increase. Looking at previous years shows that Columbia's 5.0 percent is just under to the 5.1 percent average rate for the Novembers from 1990 to 2000. Also, the average October-to-November increase in the Columbia unemployment rate is 1.1 percentage points.

If the terrorist attacks of September 11 are the primary cause of the current recession, we might expect to see the harshest effects in areas that would otherwise benefit the most from tourism-related services and retail. Dane

**South Central WI unemployment rates
not seasonally adjusted**



**October-to-November rate changes
not seasonally adjusted**



Source: Local Area Unemployment Statistics program. See http://www.dwd.state.wi.us/lmi/employ_civilianlaborforce.htm.

County continues to report less than 2 percent unemployment. Sauk County is still almost seven-tenths of a percent age point under its 10-year average unemployment rate for November and its unemployment rate grew more slowly than usual in November. In both counties, retail trade seemed to fair moderately well as the holiday season approached. Services employment also followed normal seasonal trends fairly closely.

The manufacturing slowdown seems to explain more of the current unemployment trends than the events of Sep-

tember 11.. Dodge and Jefferson Counties rely on manufacturing more than their neighbors and face unemployment rates further above their norms. (Dane and Sauk,, in contrast, rely more on services and retail and they face somewhat less difficulty.) South Central Wisconsin's manufacturing employment peaked at nearly 73,500 jobs in August of 2000. Since then, the estimated total has fallen by roughly 5,200 jobs, over a 34 percent from Dodge and Jefferson, which contain roughly 21 of the area's labor force.

November 2001 Estimates	Wisconsin	South Central WDA	Madison MSA	Columbia County	Dodge County	Jefferson County	Marquette County	Sauk County
November 2001								
Civilian Labor Force*	3,049,800	443,800	279,900	27,200	49,100	44,500	7,100	36,000
Employed	2,919,500	431,000	274,500	25,800	46,500	42,800	6,700	34,800
Unemployed	130,300	12,800	5,400	1,360	2,600	1,730	480	1,240
Unemployment Rate (%)	4.3	2.9	1.9	5.0	5.3	3.9	6.7	3.4
Total jobs, all industries**	2,854,400	437,300	301,500	20,700	35,900	38,700	3,900	36,500
Construction & Mining	131,000	21,800	14,600	1,120	2,200	1,300	360	2,100
Manufacturing	579,300	68,300	28,900	5,300	13,000	12,800	1,260	7,000
Transport & Public Util.	136,000	15,200	10,200	710	1,350	1,760	130	1,020
Wholesale Trade	137,300	18,200	13,000	810	1,050	1,500	90	1,770
Retail Trade	512,000	78,200	52,200	4,400	5,200	7,200	790	8,300
Finance, Ins. Real Estate	152,700	26,600	23,300	390	840	810	120	1,110
Services	783,800	111,900	81,100	4,300	7,200	9,000	560	9,700
Government	422,300	97,100	78,100	3,800	5,000	4,200	610	5,400
Change From October 2001								
Civilian Labor Force*	570	-80	2,700	-420	-1,440	50	-110	-840
Employed	-11,300	-860	2,300	-710	-1,030	-210	-180	-1,060
Unemployed	11,900	780	340	300	-410	260	80	220
Unemployment Rate (%)	0.4	0.2	0.1	1.1	-0.6	0.6	1.1	0.6
Total jobs, all industries**	-5,300	580	2,500	-440	-540	-40	-50	-860
Construction & Mining	-5,400	-560	-300	-20	-50	-40	-30	-110
Manufacturing	-5,700	-760	-90	-140	-460	40	20	-130
Transport & Public Util.	-1,220	-240	-100	-40	-10	-20	0	-70
Wholesale Trade	-560	-100	-80	0	0	0	0	0
Retail Trade	8,200	1,200	1,440	-160	30	60	-10	-170
Finance, Ins. Real Estate	130	-50	-30	0	0	-10	0	0
Services	-4,400	-530	180	-130	-60	-70	-30	-420
Government	3,700	1,620	1,490	60	10	10	10	40
Change From November 2000								
Civilian Labor Force*	55,300	13,000	8,700	890	940	1,000	260	1,210
Employed	12,300	8,200	7,000	560	-520	190	140	920
Unemployed	42,900	4,800	1,790	340	1,460	810	120	280
Unemployment Rate (%)	1.4	1.0	0.6	1.1	3.0	1.8	1.4	#N/A
Total jobs, all industries**	-16,400	8,000	6,900	540	-490	90	-20	960
Construction & Mining	-3,500	-50	0	20	-60	10	0	-20
Manufacturing	-35,200	-2,400	-1,460	30	-620	-240	-10	-110
Transport & Public Util.	120	130	110	-30	40	0	10	-10
Wholesale Trade	-1,480	180	150	10	-10	10	0	20
Retail Trade	1,520	2,200	1,170	210	180	50	40	540
Finance, Ins. Real Estate	3,100	1,290	1,310	-50	-10	10	0	20
Services	12,000	4,100	3,200	190	60	80	-10	600
Government	7,000	2,500	2,400	150	-60	160	-70	-80

* Includes participants residing in area. **Includes employment with employers located in area. Estimates NOT seasonally adjusted. Current month estimates are preliminary. Numbers over 2,000 rounded to nearest 100, under 2,000 rounded to nearest 10. Sub-units may not add to totals due to rounding. Calculations based on unrounded numbers.

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Look for the most current Labor Market Information at: www.dwd.state.wi.us/lmi.